



CALPEEK

CALIFORNIA POLITICAL WEEK

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HAPPY 2003. CALPEEK RETURNS FROM VACATION.

We're back from a relaxing 3 week holiday rest and ready for our 25th year of covering Calif. politics, elections and political campaigns. Can't believe that it's been 25 years. 1978-2003. Time flies. Here's wishing all of our *Calpeek* readers a very healthy & happy New Year...

CAMPAIGN 2004: LOOK FOR A LONG LIST OF GOP CANDIDATES TO FILE FOR U.S. SENATE CONTEST.

Editor's note: As *Calpeek* readers know, U.S. Sen. Barbara Boxer(D) is up for reelection in 2004. Republican candidates Bruce Herschensohn in 1992 and State Treas. Matt Fong in 1998 both lost to Boxer – despite the fact that in both contests Boxer was viewed by State GOP leaders as being very vulnerable. That GOP view hasn't changed in 8 years. Here's our update & analysis...

... This first story is more about the potential GOP candidates who might run against Boxer in 2004. Calif. Republicans have been demonizing Boxer ever since she first won the Demo primary back in 1992 against former LG Leo McCarthy and former Congressman Mel Levine. One GOP source told *Calpeek*, "She's a Demo version of Tom McClintock(R) without bedside manners." Demos insist that's just GOP spin and say Boxer, while still a tough fighter, has mellowed from her U.S. House days when she was very shrill and highly partisan...

... *Calpeek* sources have IDed at least 11 GOPers whose names keep surfacing for 2004. They include: U.S. Reps. Mary Bono, George Radanovich, Chris Cox, David Dreier, Darrell Issa and Doug Ose. Of this first group of six, our sources think Cox and Dreier are just too secure in their House leadership jobs and really don't have the stomach for a tough primary fight. Bono is iffy, but she's pro-choice and would give Boxer a tough race. Issa and Radanovich are considered serious, while Ose has actually taken out papers to raise money for testing the waters. Ose is a multi-millionaire who self-funded his 1st U.S. House race in '98...

... If Bono, Radanovich, Issa and Ose run, it would set off a huge GOP primary stampede in March of 2004 to take over these U.S. House seats. Already there are rumors of

a real slugfest between State Sen. Rico Oller and GOP Assembly Leader Dave Cox for Ose's Sacto area seat...

... The non-U.S. House Republican candidates whose names have surfaced include: Bill Simon; conservative talk radio host Dennis Prager; U.S. Treasurer Rosario Marin; Fresno Mayor Alan Autry; and perhaps Gary Mendoza, who ran a respectable race for insurance commissioner, but lost to John Garamendi. Of this group, sources say Mendoza probably stays out *if* Simon runs, but he certainly has those moderate credentials and has some solid name ID...

... The one thing which will ultimately separate this now crowded field will be the ability to raise a double-digit, multi-million dollar war chest. As one GOP consultant told *Calpeek*, "It's the money, stupid. People who run need to be able to raise good money. Without the big war chest in a race against Boxer, they're wasting their time." Stay tuned...

CALPEEK's PREDICTIONS AND POT SHOTS FOR 2003.

Editor's note: As we've noted many times, *pundits who use a crystal ball sometimes eat glass*. *Calpeek's* 2002 list of *Predictions, Punditry and Pot Shots* was again a mixed bag, much like 2001. Anyway, here's our list for 2003...

☑ *Top Issue for 2003* – International terrorism and a likely war with Iraq. What Americans tend to forget is that technically we're really in a *state of war* right now...

☑ *Top Political Story of 2002* – The GOP victory in the mid-term elections – thus recapturing control of the U.S. Senate. In Calif., it was the reelection of Gov. Gray Davis and the election of the entire Demo ticket...

☑ *The Big Flip Flop of 2002* – President GWB's reversal on a U.S. Dept. of Homeland Security. From 9/11 to June of 2002, the President was opposed to SB 2453, the bill to create the DHS...

☑ *Biggest Flop of 2002* – Saudi Arabia's PR efforts to convince Americans that they remain our ally in the war

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against terrorism...

☒ ***Big Issues Under the Radar Screen*** – The mounting U.S. budget deficit; the upcoming U.S. Supreme Court test of affirmative action/racial preferences at the Univ. of Michigan; and the troubled U.S. healthcare system...

☒ ***AP's Top 5 Stories for 2002*** – 5) Poor U.S. economy; 4) Corporate scandals; 3) Sexual abuse scandal within the U.S. Catholic Church; 2) The DC area sniper attack; and the top story – 1) Showdown with Iraq...

☒ ***The Big Surprise of 2002*** – Former VP Al Gore's decision not to run for President in 2004...

☒ ***Top Issue Facing Calif.*** – A no-brainer: Calif.'s \$35 billion budget deficit. The State is awash in red ink and there's political gridlock in Sacramento...

☒ ***Top Calif. Prediction*** – This is from GOP consultant Joel Fox. He predicts a healthy increase in the number of initiatives for 2004. Why? 1) one party control in Sacto; and 2) because of the low voter turnout in 2002, it will take **11% fewer signatures to qualify** a measure for the ballot...

☒ ***Hot Political Prediction for 2003*** – Calif.'s business community + GOP moderates will again qualify some kind of **Open Primary** initiative for Calif.'s 2004 ballot...

☒ ***Prediction*** – The circular firing square warfare among Calif. GOPers will continue in 2003. And yes, ***Paraskywatch*** will continue to take pot shots at Pres. GWB's top Calif. operative, Gerald Parsky...

☒ ***The Local Issue Which Won't Go Away*** – Returning the NFL to L.A.. Does San Diego lose the ***Chargers*** to L.A.???

☒ ***Folks Who Will Be Missed*** – James Armstrong; Thomas B. Silver; Paul Carpenter; Leroy Greene; Bill Greene; Ralph Dills; Baxter Ward; Ernest E. Debs; Bernice Brown; Jerry Dunphy; Lew R. Wasserman; Lee S. Dolson Jr.; Laughlin E. Waters; Ken Peterson; Robert Barnes; Ira Yellin; Ralph Appezato; Wade Piston; Angel Garcia; Don Rose and Chandra Levy. R.I.P...

SOME INFO YOU NEED TO KNOW ABOUT CALPEEK.

Here is some helpful information about **Calpeek** that you may need to know. Deadlines for news and Marketplace Network: 12 noon each Wednesday. **Calpeek** is printed and mailed each Thursday. Our fax is (310)657-4340; e-mail calpeek@aol.com. **Calpeek** does NOT make refunds on cancellations...

S.F. RUNOFF ELECTION GOOD NEWS FOR NEWSOM IN 2003. MA AND DUFTY BOTH WIN SUPES RACES...

Editor's note: Was the Dec. 10th runoff election for two spots on the San Francisco Board of Supes a preview of the race for mayor at the end of this year? S.F. Co. Sup. Gavin Newsom sure hopes so, because in the big runoff election in the 8th District (where all political eyes were focused), Newsom's candidate easily won election. Here's a brief update & analysis...

...There were actually two supes seats on the line in the Dec. 10th runoff: the 4th District where Fiona Ma, an aide to State Sen. John Burton, defeated activist Ron Dudum by a 55.95% vs. 44.05% margin; AND the much watched 8th District where one-time city hall staffer Bevan Dufty defeated favorite Eileen Hansen by a closer 52.58% vs. 47.42% margin in a very nasty contest. The turnout was about 35%...

...Of the two contests, Ma was a slight favorite going into the runoff and had some solid support from new Assemblyman Leland Yee (his old supes seat) + backing from Burton, and Supes Ammiano, Daly, Maxwell and McGoldrick. It was a big win for S.F.'s Chinese American community. S.F.'s Asian community makes up about 31% of the population – but Ma will be the only Asian-American on the Board...

...But it was the 8th District which got most of the media and political attention. There was little doubt that Hansen was the favorite prior to Dec. 10th. She finished 4 points ahead of Dufty in the Nov. 5th primary and had backing from almost the entire liberal establishment – but especially organized labor and Sup. Tom Ammiano. Thus Hansen's loss is seen in S.F. as a major setback for Ammiano's chances later this year when he runs for mayor against rival Gavin Newsom...

...There were two key reasons why Dufty won: 1) Hansen's bashing of S.F. Mayor Willie Brown (and linking Dufty to Brown) just didn't work; and 2) Dufty was in favor of ***Prop. N*** (Newsom's ***Care Not Cash*** initiative approved by voters in November by 60%). Hansen was a strong and vocal opponent. As political consultant Eric Jaye told ***Calpeek***, "If Prop. N was the earthquake on Nov. 5th, then Dec. 10th was the aftershock." Jaye and Barnes, Mosher, Whitehurst, et al did some IEs for Dufty, while Jim Rivaldo was Dufty's cmp. manager. Question: does Dufty's win signal a shift in S.F.'s political landscape away from the *far far left*??? If so, should the liberals find a replacement for Ammiano? Stay tuned...

**BACK VS. SUNDHEIM FOR CA REPUBLICAN PARTY
CHAIR SHAPING UP AS ANOTHER BLOODY FIGHT.**

Editor's note: The Calif. Republican Party elects their leaders for only 2 years (Demos have a 4-year term). So come Feb. 21-23 in Sacramento, the Calif. GOP will gather for another confrontational convention and more *circular firing squad antics*. The Calif. Demo Party's political advisor, Bob Mulholland, spins it this way: "Cannibalism has ended in the whole world with one exception – the upcoming Republican State Party convention." Here's our update & analysis...

...Even many GOP insiders might agree with Mulholland's assessment. The ongoing warfare between outgoing CRP Chair Shawn Steel & CRP Operating Cmt. member Gerry Parsky has at times been brutal (thanks to the cyber war waged by *Parskywatch*). This hasn't gone over well at the White House and Steel has paid a heavy price for bashing GWB's favorite Calif. operative(Parsky). In the upcoming battle between CRP Vice Chair Bill Back and No. Calif. Lincoln Club chairman Duf Sundheim, the White House is officially neutral. When Calpeek last reported this story, Steel was seeking reelection, but has since dropped out and is a now a strong Sundheim supporter...

...One would think that Steel & Sundheim don't have much in common, politically speaking, but anyone who supported Parsky in the battle to professionalize and reform the CRP while curbing the power of the chair is on Steel's enemy list. Back, who like Steel is very conservative, threw his support to Parsky, so Shawn & Bill didn't swap Season's Greetings. But there's more. One would think Sundheim's No. Calif. Lincoln Club credentials would automatically classify him as a pro-choice GOP moderate. But sources say he has been sending mixed signals. Sources say he told conservative legislators that he's opposed to yanking the pro-life plank in the CRP's platform. Sources say Sundheim feels this would be just too divisive and that is not what Calif. GOPers needs at this time. Interesting...

...Thus far most of the visible campaigning has been done by Sundheim, who has raised a large warchest (mostly from his GOP friends in the Silicon Valley) to fund his communications efforts to the 1,500 CRP delegates. In one letter addressed to *Dear Fellow Republicans*, Sundheim explained why he had given Demo presidential candidate Bill Bradley a \$1,000 contribution. It was business, not politics, Sundheim said. He has hired 2 Sacto campaign firms: lead consultant Johnson/Clark & Assoc. and Gilliard, Blanning & Wysocki. Back hasn't begun to communicate just yet because it's not clear who the 1,500 CRP delegates will be.

Many have not been selected as yet. GOP political operative Dr. Dora Kingsley has volunteered her services to Back. More next week when Calpeek will begin to release the names of Back & Sundheim supporters. Stay tuned...

**CAMPAIGN 2003: 7 L.A. COUNCIL POSTS ARE UP FOR
GRABS IN MAR. 4TH MUNICIPAL PRIMARY ELECTION.**

Editor's note: There are 26 candidates running for the 7 even-numbered L.A. City Council seats in the Mar. 4th primary. Here's our brief update & analysis...

...Four of the seven races should be slam dunk events: 2nd District, incumbent Wendy Greuel is seeking her first full term. She spent more than \$1 million to win election early last year (April) and has been a solid fixture on the council ever since. She has no opponent. In the 4th District, incumbent Tom LaBonge faces Derek Milosavljevic, but sources all agree LaBonge is an easy winner. In the 6th District, former Assemblyman Tony Cardenas faces businessman Jose Roy Garcia. Cardenas was the guy who lost to Greuel back in April of 2002, but he's expected to win this time. In the 8th District, former Police Chief Bernie Parks is considered a slam dunk to replace Mark Ridley-Thomas, who was elected to the assembly. FYI: Greuel, LaBonge, Cardenas and Parks all got the endorsement of L.A. Co. COPE (organized labor)...

...In the 10th District, incumbent Nate Holden is termed out. He's backing his chief deputy, Deron Williams. Also in the running is former Assemblyman Rod Wright; educator Madison Shockley; attorney Leo Terrell; attorney John Caldwell; and former COPE director Martin Ludlow. Over the holiday, Reggie Jones-Sawyer, who had backing from powerful SEIU 347, dropped out. Our sources aren't sure how this plays out, but Ludlow probably gets a boost. Ludlow won the COPE endorsement (no shock), even though Wright has a 100% COPE record...

...In the 12th District, incumbent Hal Bernson is termed out, but he's thrown his support to his COS, Greig Smith. Other key rivals include 16-year LAUSD Board member Julie Korenstein; former Assemblywoman Paula Boland; developer Robert Vinson; and businessmen Norman Huberman and Walter Prince. COPE endorsed Korenstein. Smith cancelled his COPE interview...

...In the 14th District, it's a 3-way race between incumbent Nick Pacheco, former Olympic gold medal boxer Paul Gonzales and former Assembly Speaker Antonio Villaraigosa. Villaraigosa won the COPE endorsement

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on a 77 to 3 vote. Two of the holdouts are big unions: Laborers 300 and SEIU 347. More on these races in the weeks ahead. Stay tuned...

CALPEEK'S CALENDAR OF POLITICAL EVENTS

Jan. 8	CA State of State address by Gov. Davis, State Capitol, Sacramento.
Jan. 10	2003-04 CA Budget is released..
Jan. 15-18	AAPC annual conference, Wash. DC
Jan. 15	Regional Council of Rural Counties annual dinner, Sheraton Grand Hotel, Sacramento.
Jan. 22-24	U.S. Conf. of Mayors, Wash. DC
Jan. 28	State of the Union by Pres. Bush, Wash. DC
Jan. 28	Recall election – City of South Gate, CA.
Jan. 31	FEC – 2002 year end reports due.
Feb. 20	DNC meeting – Hyatt on the Hill, Wash. DC
Feb. 21-23	CA Republican Party state convention, Hyatt Hotel, Sacramento.
Feb. 21-24	Nat'l Assn. of Secretaries of State, winter meeting, Wash. DC
Mar. 4	L.A. muni election.
Mar. 14-16	CA Democratic Party state convention, Sacramento.
May 20	L.A. muni runoff election.

CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ **Calif.'s Budget Crisis** – In Calpeek's Dec. 9th newsletter, the deficit over the next 18 months was **\$21 billion**. On Dec. 18th Gov. Gray Davis upped that estimate from Legislative Analyst Liz Hill to a huge **\$34.8 billion**. And that same day the cautious governor did something rather bold: he name former State Sen. Steve Peace(D-San Diego) as his new Finance Director. Will Peace be able to solve Calif.'s huge fiscal nightmare? He's certainly got the brains & experience, and he isn't afraid to tell Gov. Davis or GOP leaders Dave Cox or Jim Brulte the stark truth: there needs to be a major restructuring of State govt. and Calif.'s system for raising revenues. Everything is on the table with Peace in charge – including some possible tinkering with Prop. 13. Unknown to many is that Peace in 2000 met with HJTA Pres. Jon Coupal and CA Tax Reform Assn. Pres. Lenny Goldberg – for talks about how *commercial property* might be reassessed. Nothing came of those 2000 talks, but bet your first born Peace is thinking about this. As for Peace's alter-ego, the equally bright legislative guru Irwin Nowick, his cell phone has been ringing steadily ever since Peace was named Finance Director, but Nowick is only "first friend" and Peace now works for Gov. Davis...

■ **Matsui to Lead DCCC** – In a move to add some punch to the Democratic Congressional Campaign Cmt.(DCCC),

Demo House Leader Nancy Pelosi(S.F.) has named Sacto U.S. Rep. Bob Matsui to replace Nita Lowey(NY). Some *Calpeek* Demo sources were none to happy with the way Lowey ran the DCCC. These sources were especially critical of some of the DCCC spending decisions. Matsui was first elected to Congress in 1978. He's toyed a few times with running for U.S. Senate, but never took the plunge. He's moderate-to-liberal, but is a big *free trader*. Matsui's selection was not without some controversy. There are some who thought Pelosi should have picked U.S. Rep. William Jefferson of Louisiana. He's a key member of the Black Caucus and some credit Jefferson with delivering the Black vote which helped to reelect Louisiana U.S. Sen. Mary Landrieu(D). Stay tuned...

CALPEEK'S NEW JOBS AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook...

● Dec. 28th marked Adelphia Cable Bill Rosendahl's 15th anniversary in producing and hosting *Week In Review*, *Local Talk* and a number of other P/A shows. In all, more than 2,500 shows produced during that time. The L.A. City Council will honor Rosendahl on Jan. 15th...

● Encino attorney Fred Gaines has been reelected chair of the Valley Industry & Commerce Assn.(VICA). PR exec Martin Cooper is VICA's new Exec. Vice Chair...

● Political consultant Sheri Annis has moved to the Washington DC area. Email sheriannis@earthlink.net or (301)654-8012. She'll still work on Calif. issues...

● Gov. Davis has named former State Sen. Maurice Johannessen(R) as Sec. of Veterans Affairs...

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